AMENDMENTS TO THE SPECIFICATION

Please replace the paragraph beginning on page 8, line 8, with the following rewritten paragraph:

-- [0018] It would also be preferable for the average thickness of the lower layer coating to be at least 10 nm and no more than 1 micron. With this type of powder core, setting the average thickness of the lower layer coating to at least 10 nm makes it possible to restrict tunnel currents flowing through the coating and prevents increased eddy current loss resulting from these tunnel ~~coatings~~currents. Also, since the average thickness of the lower layer coating is no more than 1 micron, it is possible to prevent the distance between metal magnetic particles from becoming too large so that demagnetization fields are generated (energy is lost due to magnetic poles being generated in the metal magnetic particles). This makes it possible to restrict increased hysteresis loss generated by demagnetization fields. Also, it is possible to prevent reduced saturation flux density resulting from the lower layer coating having too low a proportion in volume in the powder core. --

Please replace the paragraph beginning on page 18, line 13, with the following rewritten paragraph:

-- [0048] With the powder core and method for making a powder core described above, the shaped body can be heated at a high temperature of at least 500 deg C, making it possible to adequately reduce hysteresis loss in the powder core. Since the lower layer coating 20 and the upper layer coating 30 does not degrade even when this heat treatment is performed, these coatings can reduce eddy current loss in the powder core. This makes it possible to provide a powder core with adequately reduced iron loss. --